

State Lands Commission Clears Path for Responsible Development of Railyard

SACRAMENTO, CA – The State Lands Commission, chaired by Lt. Governor John Garamendi, today cleared the way for responsible development of the proposed Sacramento Railyards project, approving a land-swap agreement which would transfer two historic buildings to the California Department of Parks and Recreation for a museum showcasing Sacramento's historic role in the development of the transcontinental railroad. The agreement approved today by the State Lands Commission would also clear title on 25 of the 240 acres of the proposed development to railyard developer Thomas Enterprises.

"Today the State Lands Commission took an important step toward making the Sacramento Railyards Project a reality," Lt. Governor Garamendi said. "The agreement approved today provides a fair solution which will pave the way for the long-desired redevelopment of this blighted area, providing jobs, housing and economic vitality for the Sacramento region, while preserving this important piece of California's history for future generations."

Development of the railyards has been slowed by negotiations between Thomas Enterprises and California State Parks over the fate of the historic Erector Shop and Boiler Shop. The Erector shop is the site's most historic building, containing brick walls dating back to the birth of the transcontinental railroad in 1868. This agreement would resolve that dispute, transferring control of a 9 acre parcel containing both the Erector Shop and Boiler Shop to State Parks, while simultaneously relinquishing the State's property interest claims on a nearly 25 acre parcel in the northwest corner of the railyards development. As part of the four-party land exchange agreement, first proposed by the State Lands Commission in 2005, the State would gain ownership of other riverfront land of similar value.

The State Lands Commission first informed the City of Sacramento in 1989 that redevelopment of the area would require resolution of title issues on the 25-acre public trust easement which was part of the original riverbed of the American River at the time of statehood and prior to the river's diversion in the late 1860s. The land became the sovereign property of the State at the time of statehood. By law, the State Lands Commission is required to defend the public's interest in these lands.

The agreement approved by the State Lands Commission today would also require the approval of the California State Parks and Recreation Department, the City of Sacramento, and

Thomas Enterprises before the land exchange could be finalized.

The State Lands Commission was created by the Legislature (State Land Act of 1938) to have exclusive jurisdiction over managing 4 million acres of public trust lands. These, which are owned by the people and held in trust by the State, include the beds of California's naturally navigable rivers, lakes and streams, as well as the state's tide and submerged lands extending 3 miles off the state's 1,130 miles of coastline.

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